

Press Release

Rosy Hosiery Mills

October 11, 2021



Rating Update

Total Bank Facilities Rated*	Rs. 10.00 Cr
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB/Stable) Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB'** (**read as ACUITE double B**) on the Rs.10.00 crore bank facilities of Rosy Hosiery Mills. This rating is now an indicative rating and is based on best available information.

About the company

Ludhiana based, Rosy Hosiery Mills (RHM) was established in 1958 as a proprietorship firm and later converted to a partnership firm in 1990. The partners of the firm are Mr. Kewal Kalra and Mr. Rahul Kalra. The firm is engaged in the manufacturing of fabrics, home furnishings, ladies' garments etc.

The manufacturing facilities of the firm are in Ludhiana with total production capacity of 24,500 pieces per day and the average utilization is ~70 percent.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition- <https://www.acuite.in/view-rating-criteria-52.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Liquidity Position

No information provided by the issuer/ available for Acuité to comment upon.

Rating Sensitivities

No information provided by the issuer/ available for Acuité to comment upon.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
20-Aug-20	Cash Credit	Long term	10.00	ACUITE BB/Stable (Assigned)

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Central Bank of India	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB- (Downgraded from ACUITE BB/Stable) Issuer not co-operating*

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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